



The Florida House of Representatives

Chris Sprowls
Speaker

NEWS RELEASE

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Florida House Speaker Chris Sprowls, Senate President Wilton Simpson Announce Plan to Invest in Florida's Infrastructure

Restructured distribution of doc stamp revenue will ensure consistent funding to mitigate impacts of sea level rise, provide affordable housing options, enhance wastewater programs

TALLAHASSEE, Fla. (March 23, 2021) — Today Florida House of Representatives Speaker Chris Sprowls and Senate President Wilton Simpson announced their plan to fund key infrastructure programs by restructuring the distribution of documentary stamp tax dollars currently allocated for the Sadowski Trust Fund.

Under the three-part infrastructure plan, one-third of the existing distribution to the Sadowski Trust Fund would be directed to the Always Ready: Flooding and Sea Level Rise Agenda, highlighted by Speaker Sprowls and House members during a February news conference. One-third would be directed to the Wastewater Grant Program within the Department of Environmental Protection, a priority of Senate President Simpson, established by Senate Bill 712 (2020). One-third would continue to be distributed to state and local affordable housing programs, with language that prevents these distributions from being swept to general revenue. This plan will allow funds for all three infrastructure priorities to grow at a consistent and predictable rate.

“The impacts of sea level rise are being felt by Floridians all across the state; from coastal to inland communities, flooding is a timely and urgent issue that must be addressed now,” said Speaker Sprowls. “This plan maintains funds for another necessity, affordable housing for our residents, at a consistent rate and ensures no further sweeps to those dollars while allowing us to

act now so that Florida is resilient to the effects of sea level rise today and tomorrow. I am glad to work with President Simpson to share a plan that strikes just the right balance so that we are able to be always ready – whether it comes to flooding, wastewater or affordable housing, Floridians win.”

“I am pleased to join with Speaker Sprowls and many of our House and Senate colleagues to put forward for consideration a plan that secures funding for infrastructure priorities that will impact our state for generations to come,” said President Simpson. “Nearly every year we end up sweeping documentary stamp money that is dedicated to affordable housing into our general revenue fund to spend it on the needs of the day. We also have a tendency to create programs that sound great, but which we don’t actually fund. This proposal addresses all of these issues by modernizing our documentary stamp distributions to dedicate a steady stream of funding in three key areas of infrastructure – affordable housing, wastewater, and mitigating sea-level rise. Floridians have been waiting a long time for a comprehensive plan that addresses these three critical areas of public policy. I look forward to discussing our plan with everyone in detail as we roll out our budget and conforming bills in the coming days.”

Appropriations of state housing funds are only a fraction of the dollars available to operate affordable housing programs. While state spending has averaged \$160 million annually over the past five years, available federal resources have averaged \$542 million annually. This year, there is an additional \$1.4 billion for the Federal Emergency Rental Assistance Program to assist local governments with affordable housing, too.

Background on Affordable Housing Funds

The State Housing Trust Fund and the Local Government Housing Trust Fund are administered by the Florida Housing Finance Corporation (FHFC), which is a public corporation of the State of Florida that is housed within the Department of Economic Opportunity (DEO).

The FHFC administers both federal and state resources to finance the development and preservation of affordable homeowner and rental housing and to assist homebuyers with financing and down payment assistance. State funding for affordable housing programs is provided from documentary stamp tax revenues that are distributed to the State Housing Trust Fund and the Local Government Housing Trust Fund. The FHFC is also authorized to receive federal funding directly from the federal government for its housing programs; these funds are deposited outside of the State Treasury. In 2020, the FHFC received \$789.5 million in federal funds.

In the early years of operation, the FHFC accessed only federal resources to finance housing initiatives. To leverage and augment these programs, the Florida Legislature began appropriating additional funding for state programs in the late 1980s. However, it was the enactment of the William E. Sadowski Affordable Housing Act in 1992 that created a source of revenue for affordable housing from a portion of documentary stamp taxes on the transfer of real estate.

Since the start of Florida's economic recovery in Fiscal Year 2012-13, documentary stamp tax revenues and the distributions to the housing trust funds have grown rapidly, outpacing annual growth in both the consumer price index and Florida's population. Each year as part of the budget process, the Legislature determines the use of the revenues in the housing trust fund.

Background on the Wastewater Grant Program

Senate Bill 712 (2020), the Clean Waterways Act, sponsored by Senator Debbie Mayfield (R-Melbourne) and carried in the House by Representatives Bobby Payne (R-Palatka) and Blaise Ingoglia (R-Spring Hill), unanimously passed the House and Senate and was signed into law by Governor DeSantis last year. The bill creates a wastewater grant program within the Department of Environmental Protection to help communities across Florida implement wastewater infrastructure programs, including septic-to-sewer conversions.

Background on the Always Ready: Flooding and Sea Level Rise Agenda

On Feb. 26, Speaker Sprowls unveiled [sweeping legislation](#) that would dedicate \$100 million each year starting in 2022-2023 to address the realities of sea level rise and flooding through Florida's first Statewide Flooding and Sea Level Rise Resilience Plan. The agenda's cornerstone bill is HB 7019, sponsored by Representative Demi Busatta Cabrera (R-Coral Gables), and SB 1954 by Senator Ray Rodrigues (R-Estero). In addition to the plan, the bills' measures include a statewide flood risk assessment and the creation of the Resilient Florida Grant Program to provide funds to local governments to cover the costs of planning for and addressing threats from flooding and sea level rise.

Today, the Florida House issued meeting notices for each of its seven Appropriations subcommittees on Thursday, March 25, to hear conforming bills, including the Agriculture & Natural Resources conforming bill that outlines this plan. Conforming bills amend statutes to align with specific changes in the general appropriations bill. Notices and conforming bills can be viewed at www.myfloridahouse.gov.

Senate conforming bills will be published on Friday, March 26, for consideration during the meeting of the Senate Committee on Appropriations next Wednesday, March 31. For more information, please visit www.FLSenate.gov.

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